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## WILLIAMSON COUNTY

Rogers C. Anderson, County Mayor  
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September 20, 2005

**VIA FACSIMILE (615) 741-5015 AND**  
**UNITED STATES MAIL**

Honorable Ron Jones, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

Received  
RON JONES

SEP 20 2005  
TN Regulatory Authority

RE: Rulemaking for the Regulation of Wastewater Companies  
Docket Number 05-00105

Dear Chairman Jones:

Thank you again for giving Williamson County the opportunity to provide comments on the proposed Wastewater Regulations. I am pleased that land is now considered part of the wastewater system, since the area upon which the wastewater is disbursed is as important as the treatment facility. I presume that the term "physical assets" in Rule 1220-4-13-.08(1) includes the land. For clarification, perhaps the term "physical assets" should be defined so that the land upon which the system operates is included within the protection from liens, judgments or encumbrances.

Although Rule 1220-4-13-.06(2) addresses "appropriate qualified staff" nowhere does the Rule outline minimum qualifications. Additionally, the public wastewater utility is required to make inspections on a regular basis, but there is no minimum guideline. While I am certain that conscientious wastewater utilities will impose the highest standards on their employees and utilize a stringent inspection schedule, a minimum would better protect the customers of a utility not inclined to operate within the high standards that the Authority traditionally expects.

As you know, Williamson County requires a letter of credit for each system installed in conjunction with a development project. This ensures the installation as well as the availability of a redundant system in the event of a failure of the primary system. Rule 1220-4-13-.07(5) anticipates that financial securities required by any local government may be taken into consideration by the

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Authority to fulfill any requirements of financial security of the Authority. It is my understanding that CCN's are often granted for areas larger than a single development. Please be advised, however, that each irrevocable standby letter of credit issued for a development project in Williamson County is project-specific and could not be utilized for another project within the same CCN-designated area. Each system requires a separate and distinct letter of credit.

Rule 1220-4-13-.07(8) and (9) establish the potential for the Authority to require a reserve/escrow account for non-routine operation and maintenance expenses. Since all utilities have the potential for non-routine operation and maintenance expenses, that safeguard appears warranted for all systems. Additionally, there are no clear circumstances under which an escrow account would not be required. Minimum standards should be established to at least trigger the necessity of an escrow account. Further, the first draft of the regulations had a mechanism by which the Authority would monitor the disbursements of the account. The most recent draft has little or no guidance for use of the escrow account or penalties for misuse of same. With no guidelines nor oversight, the escrow fund could merely be utilized for day-to-day operations, thus abrogating the very reason for its creation.

Finally, the first draft of the Regulations placed the burden upon a utility to provide service to its designated area within a reasonable time and outlined the procedure if the utility failed to do so. It appears that this language has been excised completely. This places the burden upon a property owner not receiving the promised service to expend effort and money to rectify or at a minimum, inform the Authority of the problem. The previous draft gave the Authority the ability to automatically review the authorization for service and make changes where necessary. With this new draft, a utility can have exclusive authority to serve a particular area with no incentive to provide this service. I ask that you reconsider this position, or consider accomplishing the same goal in another manner.

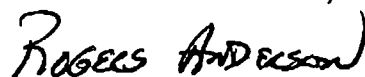
I would like to thank the Authority for assuming the task of creating uniform regulations for the protection of the customers of these utilities. Although to date, the utilities operating in Williamson County have appeared to fulfill their obligations to their customers, this is a growing industry. Minimum standards will not only benefit the potential customers, but also the utilities by encouraging only those wishing to enter this industry who are willing to operate a system in the best interests of their customers and the environment. Williamson County's intent has always been to ensure that the customers of a utility receive the best service possible with adequate safeguards for their health and general welfare. Williamson County appreciates the opportunity to comment on these proposed Regulations.

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If you have any questions or desire any additional information, please do not hesitate to contact me.

Sincerely,

**WILLIAMSON COUNTY, TENNESSEE**

A handwritten signature in black ink that reads "Rogers Anderson". The signature is written in a cursive, slightly slanted style.

Rogers Anderson, County Mayor and Ex-Officio  
Member, Williamson County Water and Wastewater  
Authority

RCA/dg

xc: Members of the Williamson County Water and Wastewater Authority  
Kristi D. Earwood, County Attorney

letters/TRA-DraftRegs